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FISCAL IMPACT STATEMENT

LS 7241

BILL NUMBER: HB 1232

NOTE PREPARED: Jan 7, 2013

BILL AMENDED:

SUBJECT: Tuition at State Educational Institutions.

FIRST AUTHOR: Rep. Dvorak

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that the General Assembly establishes tuition rates for the state educational institutions in the biennial budget. It prohibits the boards of trustees of state educational institutions from changing the established tuition rates. The bill also provides that if the General Assembly fails to establish tuition rates in a biennial budget, the most recent tuition rates continue in effect without modification until the General Assembly acts.

Effective Date: July 1, 2013.

Explanation of State Expenditures:

Explanation of State Revenues: The bill could potentially limit state educational institution's ability to increase tuition. The potential impact of the bill on tuition increases by state educational institutions is indeterminable.

Background: Currently the Commission for Higher Education (CHE) recommends non-binding tuition and fee increases for state educational institutions. For FY 2013, the tuition increases recommended by the CHE varied between 2.5% and 3.5%. In most cases the rate adopted by state educational institutions exceeded the CHE's recommendation by about 1% to 2%.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Educational Institutions.

Local Agencies Affected:

Information Sources: Commission for Higher Education.

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